

(5) Qualified educational expenses are limited to tuition and fees required for the enrollment of, or attendance by, the taxpayer, or the taxpayer's spouse or dependent, at an eligible educational institution. These expenses are calculated net of scholarships, fellowships, employer-provided educational assistance, and other tuition reduction amounts, and must be incurred during the tax year of the redemption of the bonds for which the interest exclusion is claimed.

(6) Eligible educational institutions include those defined in sections 1201(a) and 481(a)(1) (C) and (D) of the Higher Education Act of 1965, as in effect on October 21, 1988, excluding proprietary institutions. Such eligible institutions include post-secondary institutions, and vocational schools that meet the standards for participation in Federal financial aid programs, excluding proprietary institutions. Additional guidance concerning eligible institutions should be obtained from the Department of Education.

(7)(i) Interest exclusion benefits are based on the modified adjusted gross income of the taxpayer. For taxpayers filing a joint Federal income tax return, the exclusion is gradually decreased for modified adjusted gross income between \$60,000 and \$90,000. Married taxpayers filing jointly who have modified adjusted gross incomes above \$90,000 are ineligible for the exclusion. For single taxpayers and heads of households, the exclusion is gradually decreased for such incomes between \$40,000 and \$55,000. Single taxpayers with such incomes above \$55,000 are ineligible for the exclusion. After 1990, these income limits will be adjusted for inflation.

(ii) Married taxpayers must file a joint return in order to qualify for the exclusion. Married taxpayers filing separate returns will not qualify for the exclusion, regardless of their modified adjusted gross incomes.

(8) The taxpayer is responsible for maintaining adequate records of bond redemption transactions to support claims for the exclusion, in accordance with applicable rules and regulations of the Internal Revenue Service.

(9) The Internal Revenue Service should be consulted for advice concerning the eligibility and tax treatment of bonds for the income exclusion under the educational savings bond program.

27. *Additional information.* [Sec 321.25] Requests for additional advice, clarification of the payment regulations or this Appendix, and other matters relating to the actions of a financial institution as paying agent should generally be made to the appropriate Federal Reserve Bank referred to in §321.25.

[53 FR 37511, Sept. 26, 1988; 53 FR 39581, Oct. 7, 1988, as amended at 55 FR 35397, Aug. 29, 1990; 59 FR 10538, Mar. 4, 1994; 61 FR 37197, July 16, 1996; 63 FR 38042, 38043, July 14, 1998]

## PART 323—DISCLOSURE OF RECORDS

Sec.

323.1 Purpose of regulations.

323.2 Rules governing availability of information.

323.3 Materials available for inspection and copying.

323.4 Requests for identifiable records.

323.5 Fees.

AUTHORITY: 80 Stat. 379; sec. 3, 60 Stat. 238, as amended; 5 U.S.C. 301, 552.

SOURCE: 32 FR 9967, July 7, 1967, unless otherwise noted.

### § 323.1 Purpose of regulations.

The regulations of this part are issued to implement 5 U.S.C. 552(a) (2) and (3). The requirements of 5 U.S.C. 552(a)(1) are met through the publication in the FEDERAL REGISTER of the statement of the organization, functions and procedures available of the Fiscal Service, including the Bureau of the Public Debt, and revisions thereof, and through the publication therein of substantive and procedural regulations of the Bureau. A synopsis of the statements of Bureau organization, functions and procedures available will be published annually by the Office of the Federal Register in the U.S. Government Organization Manual.

### § 323.2 Rules governing availability of information.

(a) *General.* The records of the Bureau of the Public Debt required by 5 U.S.C. 552 to be made available to the public shall be made available in accordance with the regulations on the Disclosure of Records of the Office of the Secretary issued under 5 U.S.C. 552 and published as part I of title 31 of the Code of Federal Regulations, 32 FR 9562, July 1, 1967, except as specifically provided in this part.

(b) *Limitations on the availability of records relating to securities.* Records relating to the purchase, ownership of, and transactions in Treasury securities or other securities handled by the Bureau of the Public Debt for government agencies or wholly or partially Government-owned corporations will ordinarily be disclosed only to the owners